

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency	(2) MEETING DATE 3/12/2013	(3) CONTACT/PHONE Janette Pell, Director, General Services, 781-5200 Rockford Buoy, Fleet Manager, 788-2459	
(4) SUBJECT Request to approve and adopt a Fleet Vehicle Selection Criteria Policy for the purchase of County vehicles and to aid in the reduction of vehicle emissions. All Districts.			
(5) RECOMMENDED ACTION: It is recommended that the Board approve and adopt the Fleet Vehicle Selection Criteria Policy. The adoption of this policy will govern the purchase of County vehicles, improve the county average fuel economy and improve regional air quality by reducing emissions. It sets forth a methodology which incorporates fuel efficiency and emission reductions as part of the complete lifecycle cost and vehicle operational standards.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input checked="" type="checkbox"/> Board Business (Time Est. 15 Minutes)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date _____	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services / Janette Pell, Director, General Services, 781-
Rockford Buoy, Fleet Manager, 788-2459

DATE: 3/12/2013

SUBJECT: Request to approve and adopt a Fleet Vehicle Selection Criteria Policy for the purchase of County vehicles and to aid in the reduction of vehicle emissions. All Districts.

RECOMMENDATION

It is recommended that the Board approve and adopt the Fleet Vehicle Selection Criteria Policy. The adoption of this policy will govern the purchase of County vehicles, improve the county average fuel economy and improve regional air quality by reducing emissions. It sets forth a methodology which incorporates fuel efficiency and emission reductions as part of the complete lifecycle cost and vehicle operational standards.

DISCUSSION

General Services Agency - Fleet Services is chartered with managing the County fleet and is committed to operating an automotive and equipment fleet program that is environmentally and economically sustainable. This charter includes a commitment to minimize emissions by ensuring that purchases and expenditures of public monies are made in a manner consistent with improving local air quality and reducing emissions in a manner that uses resources efficiently and minimizes waste. Adoption of the Fleet Vehicle Selection Criteria Policy will support Fleet Services in meeting these commitments.

SCOPE

The Fleet Vehicle Selection Criteria Policy outlines the Fleet Services procedure to incorporate the whole lifecycle cost when acquiring and selecting new or replacement fleet. This will result in additional consideration toward fuel consumption and the most energy efficient and lowest emission producing vehicles and equipment as reasonably possible. This policy applies to all non-emergency fleet owned by the County.

OBJECTIVE

The Fleet Vehicle Selection Criteria Policy establishes a purchasing methodology which considers many contributing lifecycle cost factors of vehicle operations and ownership. This policy considers the vehicles whole lifecycle cost rather than only the purchase price. This methodology factors in maintenance and repairs cost differences, fuel cost savings, and the potential resale value savings of lower emission producing vehicles. The fleet selection criteria will not include a monetary value being placed on carbon reduction within this policy. Carbon value is being debated globally and there is no current consensus on the national level to establish this value.

MEASURABLE TARGETS

The targets set forth in this policy meet or exceed the San Luis Obispo County Energy Wise Policy assumptions for Fleet Services. Fuel consumption and emission reduction targets are established and will be reviewed and modified annually based on vehicle availability for that model year. An annual report of the estimated fuel and emission reductions will be included in the Fourth Quarter Fiscal Report to the Board of Supervisors. The objectives outlined in the policy include:

- Improve the average fuel economy on non-emergency vehicles by 2.5% each year, or by 15% by the end of fiscal year 2017-18.
- Reduce the emissions of Carbon Dioxide (CO²) by 2% each year, or 20% by the end of fiscal year 2020. This applies to non-emergency, gasoline powered light duty vehicles.
- Reduce the emission of Nitrogen Oxides (NO^x) by a minimum of 35% when replacing diesel powered engines manufactured prior to 2009.

The General Services Agency Director acts as the Purchasing Agent and is charged with the responsibility to manage the Purchasing Department in an efficient and economic manner. This responsibility includes the purchase of vehicles throughout the year as approved by the Board and is governed by County Code Section 2.36.030. Through the adoption and implementation of this policy the County will demonstrate commitment to managing and conserving natural resources in an equitable manner for present and future generations of residents receiving County services.

OTHER AGENCY INVOLVEMENT/IMPACT

Departments and Fleet Services coordinate the regular replacement and disposal of vehicles as part of ongoing Fleet Services operations. This policy has been reviewed by all Departments.

FINANCIAL CONSIDERATIONS

The purchase of replacement vehicles represents a significant expense to the County. Vehicle acquisition cost may increase as much as twenty percent or more, however, in accordance with this policy, any increase in acquisition cost will be offset with the direct reduction of ownership and operational costs.

RESULTS

Through implementation of this policy will strengthen the vision of a well-governed community, a livable community and a healthy community through the reduction in vehicle emissions. Current and future emissions targets will be developed and evaluated within the context of the County's overall emission reduction strategies. The adoption of this policy will mandate a 15% improvement of the County's overall fuel economy, a reduction of fleet related Carbon Dioxide (CO²) by 10% and the reduction Nitrogen Oxide (NO^x) emissions by as much as 35% in diesel powered trucks.

ATTACHMENTS

1. Attachment 1 - Fleet Selection Criteria Policy
2. Attachment 2 – Appendix 1 Effect of Application & Inflationary Fuel Cost on Lifecycle Cost